

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 248

Introduced by Assembly Member Gorell

February 6, 2013

An act ~~relating to energy~~, to add and repeal Section 321.9 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 248, as amended, Gorell. Energy: powerplants: Ventura County.

Under existing law, the State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality in accordance with the Porter-Cologne Water Quality Control Act (act) and the federal Clean Water Act. Under the act, the state board is required to adopt specified state policies with respect to water quality as it relates to the coastal marine environment, including a policy requiring new or expanded coastal powerplants and other industrial installations using seawater for cooling, heating, or industrial processing to use the best available site, design, technology, and mitigation measures feasible to minimize the intake and mortality of all forms of marine life.

This bill ~~would state the intent of the Legislature to enact subsequent legislation that~~ would require the Public Utilities Commission and the Independent System Operator, in consultation with specified entities, to submit to the Legislature, *on or* before January 1, 2015, a report on policies, recommended legislative actions, and incentives necessary to accomplish specified objectives related to once-through cooling powerplants in Ventura County while preserving and enhancing electric system reliability in the Counties of Santa Barbara and Ventura.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Ventura.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. ~~(a)~~—The Legislature finds and declares all of the
2 following:

3 ~~(1)~~—
4 (a) Ventura County possesses unique environmental resources
5 including miles of coast lines, working agricultural lands, valleys,
6 coastal mountains, and the distant Channel Islands. These resources
7 create six distinct microclimates and provide unique habitat, flora,
8 fauna, and marine resources for the various species that share the
9 county. Additionally, they provide a wide variety of recreational
10 opportunities and the base for a superior quality of life in the
11 communities beyond Ventura County.

12 ~~(2)~~—
13 (b) California should promote public policies that create jobs
14 and foster economic growth while maintaining quality of life.
15 Ventura County needs policies that preserve its global
16 competitiveness and ~~allows business~~ *allow businesses* to grow,
17 invest, and create jobs. These policies should encourage innovation
18 while promoting economic prosperity. Ventura County has a unique
19 blend of industries to protect and promote. The employment base
20 is secured by agriculture, tourism, international trade, and
21 manufacturing industries, with growth occurring in the high-tech,
22 medical, science, and service sectors. All of these industries need
23 affordable, reliable electricity to prosper.

24 ~~(3)~~—
25 (c) In 2010, the State Water Resources Control Board (SWRCB)
26 adopted its Statewide Water Quality Control Policy on the Use of
27 Coastal and Estuaries Waters for Power Plant Cooling, commonly
28 referred to as the “Once-Through Cooling Policy.” Two generation
29 facilities in Ventura County are subject to the Once-Through
30 Cooling Policy.

31 ~~(4)~~—
32 (d) To comply with the Once-Through Cooling Policy, an owner
33 or operator of an existing powerplant must reduce intake flowrate

1 at each unit, at a minimum, to a level commensurate with that
2 which can be attained by a closed-cycle wet cooling system, by
3 facility-specific deadlines prescribed in the policy. Alternatively,
4 if an owner or operator demonstrates that compliance with this
5 standard is not feasible, that owner or operator must reduce
6 impingement mortality and entrainment of marine life for the
7 facility to a comparable level to that which would be achieved
8 under the first standard, using operational or structural controls,
9 or both.

10 ~~(5)–~~

11 *(e)* Pursuant to the Once-Through Cooling Policy, the SWRCB
12 impaneled a Statewide Advisory Committee on Cooling Water
13 Intake Structures (SACCWIS), including representatives from the
14 Public Utilities Commission, the State Energy Resources
15 Conservation and Development Commission, the Independent
16 System Operator, the California Coastal Commission, the State
17 Lands Commission, the State Air Resources Board, and SWRCB
18 staff, to advise the SWRCB on the implementation of the policy
19 to ensure that the implementation schedule takes into account local
20 area and grid reliability.

21 ~~(6)–~~

22 *(f)* Electricity reliability is critical to California's economy,
23 security, and stability of modern life. It is the top priority for
24 California's electrical energy policy to preserve electric reliability
25 and maintain regional system integrity. Ventura County and Santa
26 Barbara County rely on transmission imports across a narrow
27 corridor that is at risk of outages caused by natural disasters,
28 including earthquakes and fires. During these events, electric
29 reliability in this area depends on service from existing flexible
30 generation units that are subject to the Once-Through Cooling
31 Policy. Generation and transmission operation in California must
32 be monitored and controlled in real time to ensure a consistent and
33 ample flow of electricity. It is designed with system redundancies
34 to prevent outages during emergencies, such as fires, grid failure,
35 or maintenance.

36 ~~(b) It is intent of the Legislature to enact subsequent legislation~~
37 ~~that would require the Public Utilities Commission and the~~
38 ~~Independent System Operator, in consultation with the SWRCB,~~
39 ~~the State Energy Resources Conservation and Development~~
40 ~~Commission, the California Coastal Commission, the State Lands~~

Commission, the State Air Resources Board, and other relevant local and federal authorities, to submit a report, before January 1, 2014, to the Legislature on a study and evaluation of what policies, legislative actions, and other federal, state, and local incentives are necessary to accomplish, while preserving and enhancing electric system reliability in the Counties of Santa Barbara and Ventura, all of the following objectives:

(1) To ensure the preservation of Ventura County's environmental resources, tourism, and economic development by decommissioning the existing once-through cooling powerplants or by facilitating the replacement of existing once-through cooling powerplants in Ventura County with more modern powerplant while reducing visual impacts and ensuring that sufficient reserve capacity is available in the local capacity reliability area.

(2) To review the potential of acquisition of the properties on which the once-through cooling powerplants are located by the City of Oxnard, the County of Ventura, the state, or other responsible entities for the preservation as a natural resources in the California coastal zone.

(3) To uphold contractual obligations and economic interests of the current owners and operators of the once-through cooling powerplants in the Big Creek/Ventura local capacity reliability area.

(4) To modify the cooling technologies at the once-through cooling powerplants in Ventura County to mitigate impacts on marine environment, consistent with the Once-Through Cooling Policy and other existing policies.

(5) To identify potential sites in Ventura County appropriate for once-through cooling powerplants that would not impose greater environmental, agricultural, or economic impacts, or greater costs to the electricity ratepayer, as compared to the redevelopment or replacement of the existing powerplants.

SEC. 2. Section 321.9 is added to the Public Utilities Code, to read:

321.9. (a) On or before January 1, 2015, the Public Utilities Commission and the Independent System Operator, in consultation with the State Water Resources Control Board, the State Energy Resources Conservation and Development Commission, the California Coastal Commission, the State Lands Commission, the State Air Resources Board, and other relevant local and federal

1 *authorities, shall submit a report to the Legislature, pursuant to*
2 *Section 9795 of the Government Code, on a study and evaluation*
3 *of the policies, legislative actions, and other federal, state, and*
4 *local incentives that are necessary to accomplish, while preserving*
5 *and enhancing electric system reliability in the Counties of Santa*
6 *Barbara and Ventura, all of the following objectives:*

7 *(1) To ensure the preservation of the County of Ventura's*
8 *environmental resources, tourism, and economic development by*
9 *decommissioning the existing once-through cooling powerplants*
10 *or by facilitating the replacement of existing once-through cooling*
11 *powerplants in the County of Ventura with more modern*
12 *powerplants while reducing visual impacts and ensuring that*
13 *sufficient reserve capacity is available in the local capacity*
14 *reliability area.*

15 *(2) To review the potential of acquisition of the properties on*
16 *which the once-through cooling powerplants are located by the*
17 *City of Oxnard, the County of Ventura, the state, or other*
18 *responsible entities for the preservation of natural resources in*
19 *the California coastal zone.*

20 *(3) To uphold contractual obligations and economic interests*
21 *of the current owners and operators of the once-through cooling*
22 *powerplants in the Big Creek/Ventura local capacity reliability*
23 *area.*

24 *(4) To modify the cooling technologies at the once-through*
25 *cooling powerplants in the County of Ventura to mitigate impacts*
26 *on marine environments, consistent with the once-through cooling*
27 *policy and other existing policies.*

28 *(5) To identify potential sites in the County of Ventura*
29 *appropriate for once-through cooling powerplants that would not*
30 *impose greater environmental, agricultural, or economic impacts,*
31 *or greater costs to the electricity ratepayer, as compared to the*
32 *redevelopment or replacement of the existing powerplants.*

33 *(b) Pursuant to Section 10231.5 of the Government Code, this*
34 *section is repealed on January 1, 2019.*

35 *SEC. 3. The Legislature finds and declares that a special law*
36 *is necessary and that a general law cannot be made applicable*
37 *within the meaning of Section 16 of Article IV of the California*
38 *Constitution because of the unique environmental resources that*
39 *exist in the County of Ventura.*

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